

## RRC Energy Minute VOL. 23 Feb 2021

For the 87th Legislature & the Texas Congressional Delegation

Our mission is to serve Texas by our stewardship of natural resources and the environment, our concern for personal and community safety, and our support of enhanced development and economic vitality for the benefit of Texans.

## Update on RRC Actions During Winter Weather Disaster

Throughout this month's winter weather disaster event, the Railroad Commission has maintained continuous, active oversight of the oil and gas, pipeline, gas utility, and alternative fuels industries within its jurisdiction. Here are several of the actions the agency undertook over the past two weeks in response to the winter weather disaster:

- Immediately after the Governor issued a disaster declaration on Friday, February 12th, the Commission held an emergency meeting that evening to approve an Emergency Order prioritizing the delivery of gas to human needs customers and to gas-powered electric utilities serving human needs customers. This action was necessary to prioritize the protection of public health and safety, and human life during this extreme weather event. The Commission held another emergency meeting on Wednesday, February 17th to extend the duration of the Emergency Order to Tuesday, February 23rd. The Commission's actions helped ensure the continuous supply of gas for home heating and cooking purposes and increased gas supplies for electric power.
- Starting on Friday, February 12th, the Commission remained in constant contact with partner agencies, the Texas Energy Reliability Council, and industry, including natural gas and electric utility companies, pipeline operators, and oil and gas operators. These communication channels allowed RRC to provide regulatory clarification, pinpoint areas of concern, and provide additional regulatory guidance and support, including notices to operators, where necessary.
- On Saturday, February 13th, RRC issued a Notice to Operators instructing that oil and gas operators monitor and maintain operations for potential impact as safety permits. As the need for energy

- production increased in to the week of February 15th, and weather conditions adversely affected disposal wells essential to the safe operation of oil and gas wells, the agency issued temporary modifications to waste hauler and disposal well permits to facilitate continued production from oil and gas wells.
- As the demand for natural gas increased throughout the week of the winter weather disaster, on Saturday, February 13th, RRC issued a notice to gas utilities within the Commission's jurisdiction authorizing the use of regulatory accounts to record extraordinary expenses associated with the winter storm, including gas costs, that could be used in rate proceedings that will be reviewed by the Commission as appropriate. Commissioners and agency staff are in contact with utilities, consumer groups and other entities to avoid situations where customers may get unusually high bills in the coming weeks.
- On Tuesday, February 16th, RRC proactively requested that the Office of the Governor waive specific statutes and rules to allow transportation companies not currently licensed with the agency to transport alternative fuels, including propane and compressed natural gas, for the duration of the disaster declaration. The waiver, which was granted by the Governor's Office, ensured the on-going supply of alternative fuels to Texas customers.

## **RRC Releases 2020 Oilfield Cleanup Program Annual Report**

On January 26th, 2021 the Commission formally approved the Oilfield Cleanup Program Annual Report for FY 2020. The report informs the Legislature and the public of RRC's efforts to protect public health and safety and the environment through oil field cleanup activities. The FY 2020 report highlights the agency's success in plugging 1,477 abandoned wells and remediating 258 oilfield sites across Texas. Despite the challenges presented by the COVID-19 pandemic, RRC's well plugging and site remediation activities continued throughout 2020.



**Read the** 2020 OCP **Report** 

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